

Message Text

SECRET

PAGE 01 SECTO 20089 082214Z

62

ACTION NODS-00

INFO OCT-01 ISO-00 /001 W

----- 052427

R 082130Z AUG 76 ZFF-4

FM USDEL SECRETARY IN LAHORE

TO SECSTATE WASHDC

S E C R E T SECTO 20089

NODIS/CHEROKEE

FOR DEPUTY SECRETARY ROBINSON FROM THE SECRETARY

E.O. 11652: GDS

TAGS: OVIP (KISSINGER, HENRY A.)

SUBJECT: NUCLEAR COOPERATION WITH IRAN

1. IN MY TALK WITH THE SHAH, I RAISED THE ISSUE OF OUR NUCLEAR COOPERATION AGREEMENT. THE SHAH'S BASIC CONCERN IS THAT WE AVOID DOING ANYTHING WHICH WOULD APPEAR TO BE DISCRIMINATORY AGAINST IRAN. I PROPOSED TO THE SHAH, AND HE SEEMED AGREEABLE, THAT WE DEVELOP AN ARRANGEMENT UNDER WHICH IRAN WOULD HAVE THREE OPTIONS FOR HANDLING ITS REPROCESSING NEEDS: IN A BINATIONAL PLANT IN IRAN WITH THE US AS A PARTNER, BUT I MADE IT CLEAR THAT UNDER CURRENT AND FORESEEABLE CONDITIONS THIS WOULD NOT BE POSSIBLE; IN AN ACCEPTABLE THIRD COUNTRY; OR THROUGH EXCHANGE OF IRRADIATED FUEL FOR FRESH FUEL WITH THE U.S. THE FINAL DECISION WOULD BE MADE AT SOME FUTURE DATE, PERHAPS TEN YEARS AWAY, WHEN THE ECONOMIC NEED FOR PROCESSING ARISES. IRAN WOULD HAVE THE OPPORTUNITY TO CHOOSE AMONG THESE THREE OPTIONS IN THE FIRST INSTANCE, BUT THE U.S. WOULD HAVE A VETO IN ALL CASES. I MADE IT CLEAR THAT REPROCESSING IN IRAN ON A PURELY NATIONAL BASIS WOULD NOT BE AN ACCEPTABLE SOLUTION.

2. I LATER DISCUSSED THIS APPROACH IN CONSIDERABLY MORE DETAIL WITH ANSARI AND ETEMAD. THEY INDICATED THAT IRAN WOULD BE PREPARED TO GO ALONG WITH THIS SOLUTION,

SECRET

SECRET

PAGE 02 SECTO 20089 082214Z

PROVIDED THE US BEARS THE COMMERCIAL RISK; THAT IS,

IRAN'S EXCESS COSTS OF REPROCESSING, IF WE FORCE THEM TO FOLLOW SOMETHING OTHER THAN THE MOST ECONOMICAL APPROACH. THEY FEEL STRONGLY THAT SINCE IRAN IS AN NPT PARTY AND WILL MEET ITS NON-PROLIFERATION OBLIGATIONS FULLY, THEY SHOULD NOT FOOT THE BILL IF WE DEMAND RESTRAINTS BEYOND THE SAFEGUARDS REQUIRED BY THE TREATY.

3. I TOLD THEM THAT I WOULD SEE TO IT THAT THE APPROACH WAS CONSIDERED CAREFULLY IN THE INTERAGENCY NUCLEAR REVIEW NOW UNDERWAY, AND THAT WE WOULD ENDEAVOR TO GIVE THEM A RESPONSE BY SEPTEMBER ONE.

4. IF WE ARE SERIOUS ABOUT OUR NON-PROLIFERATION OBJECTIVES, AND ESPECIALLY ABOUT AVOIDING NATIONAL RE-PROCESSING, I BELIEVE WE HAVE TO PROVIDE OUR PARTNERS WITH A SUITABLE ALTERNATIVE THAT DOES NOT PENALIZE THEM ECONOMICALLY. THE APPROACH I OUTLINED ABOVE WILL ACCOMPLISH THIS. I UNDERSTAND THAT THE MAXIMUM POTENTIAL COSTS TO THE US, IF ANY, SHOULD BE MODERATE - MILLIONS A YEAR, AND CERTAINLY NOT BILLIONS. THIS IS A SMALL PRICE TO PAY FOR ADVANCING OUR NON-PROLIFERATION OBJECTIVES AND OPENING THE DOOR FOR SEVERAL BILLION DOLLARS WORTH OF NUCLEAR EXPORT TRADE OF DIRECT BENEFIT TO US. I SEE A PARTICULAR ADVANTAGE GIVEN SOME OF THE CRITICISM FREQUENTLY LEVELED AT IRAN, IF IRAN COULD EMERGE AS THE COUNTRY WHICH HAS HELPED US FIND A CONSTRUCTIVE SOLUTION TO THE PROLIFERATION ISSUE.

5. I STRESSED THAT I COULD NOT MAKE ANY COMMITMENT AS TO WHAT OUR RESPONSE TO THIS PROPOSAL WOULD BE. I ALSO SAID THAT IT WAS IMPORTANT THAT WE HAVE A CLEAR AND WORKABLE DEFINITION OF WHAT IS MEANT BY "COMMERCIAL RISK" WHICH THE US WOULD BE CALLED ON TO COVER OR SHARE. THEY AGREED TO TRY TO COME UP WITH SUCH A DEFINITION.

6. THE SECOND MAJOR ISSUE RAISED BY THE IRANIANS IS THEIR CONCERN THAT NRC EXPORT LICENSING THREATENS THE RELIABILITY OF OUR SUPPLY ASSURANCES, EVEN THOUGH IRAN
SECRET

SECRET

PAGE 03 SECTO 20089 082214Z

COMPLIES FULLY WITH THE AGREEMENT. THEY WERE CLEARLY VERY UPSET BY THIS PROBLEM, AND I BELIEVE IT IS ESSENTIAL THAT WE FIND A WAY TO OVERCOME IT. AS MATTERS STAND NOW, WE ARE PROVIDING A MAXIMUM INCENTIVE TO OTHER COUNTRIES TO TURN TO OTHER SUPPLIERS, AS IRAN HAS ALREADY DONE, AND DEFEAT THE VERY NON-PROLIFERATION OBJECTIVTTIWE CLAIM TO HAVE. AT A MINIMUM, WE NEED TO HAVE A STRONG PRESIDENTIAL AND EVEN CONGRESSIONAL

REAFFIRMATION OF THE DEPENDABILITY OF OUR SUPPLY ARRANGEMENTS FOR NATIONS WHICH LIVE UP TO THEIR NON-PROLIFERATION COMMITMENTS. I TOLD THE IRANIANS THAT WE WOULD ALSO CONSIDER THIS ISSUE IN OUR CURRENT REVIEW.

7. I WOULD LIKE TO SPEAK TO YOU SOON AFTER MY RETURN ABOUT THE APPROACH TO THESE ISSUES WHICH I OUTLINED ABOVE. IN ADDITION TO HAVING THESE PROPOSALS TAKEN UP BY THE TASK FORCE WHICH IS NOW REVIEWING THE REPROCESSING ISSUE, WE SHOULD ALSO CONSIDER WHETHER TO GO DIRECTLY TO THE NSC AND THE PRESIDENT, ALTHOUGH I AM INCLINED TO GIVE THE TASK FORCE THE FIRST CRACK AT THIS. I, OF COURSE, HAVE IN MIND THAT APPROACH WOULD BE GENERALIZED TO NPT COUNTRIES OTHER THAN IRAN. IN ADDITION TO AHERTON, KRATZER AND SIEVERING WERE PRESENT WITH ME IN THE DISCUSSION AND I TOLD THEM THAT I WANTED TO BE KEPT INFORMED OF PROGRESS AND TO BE PERSONALLY INVOLVED WHENEVER NECESSARY. PENDING MY RETURN, YOU SHOULD GET THE APPROPRIATE STAFF STARTED ON HOW WE CAN BRING THIS MATTER TO A QUICK AND ACCEPTABLE CONCLUSION.

8. I ALSO WANT TO CONSIDER WHAT WILL BE NECESSARY TO HEAD OFF THE CURRENT CONGRESSIONAL INITIATIVES IN THIS FIELD, WHICH WILL FURTHER FORCE OUR FRIENDS TO LOOK ELSEWHERE, AND TRY TO GET THE CONGRESS ON A MORE CONSTRUCTIVE APPROACH. I AM PREPARED TO MEET PRIVATELY WITH APPROPRIATE CONGRESSIONAL LEADERS ON THIS ISSUE SO THAT I CAN TELL THEM FROM FIRST-HAND OBSERVATION WHERE OUR PRESENT NUCLEAR POLICIES ARE LEADING US. I BELIEVE PRIVATE DISCUSSIONS HAVE A MUCH BETTER CHANCE OF SUCCESS THAN FURTHER PUBLIC HEARINGS, AND I BELIEVE THAT I CAN PERSUADE PASTORE, RIBICOFF, JAVITS, PERCY
SECRET

SECRET

PAGE 04 SECTO 20089 082214Z

AND GLENN TO JOIN WITH US IN A CONSTRUCTIVE AND REALISTIC APPROACH.

9. WHILE YOU SHOULD HOLD THIS CLOSELY, YOU SHOULD SHARE IT WITH LORD, IRVING, AND VEST SO THAT THEY CAN GET STARTED ON THE NECESSARY STAFF WORK. IT SHOULD NOT GO INTO INTERDEPARTMENTAL MACHINERY UNTIL I RETURN.
KISSINGER

SECRET

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SECTO, INSTRUCTIONS, NUCLEAR PROLIFERATION, NUCLEAR COOPERATION PROGRAMS, NUCLEAR POWER PLANTS, NUCLEAR FUELS, CAT-C, CHEROKEE 08/08/76, FOREIGN PO LICY POSITION, MEETING PROCEEDINGS, NUCLEAR SAFEGUARDS, EXPORT LICENSES
Control Number: n/a
Copy: SINGLE
Draft Date: 08 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greenet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976SECTO20089
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: FOR DEPUTY SECRETARY ROBINSON
Executive Order: OA
Errors: N/A
Film Number: P840109-2357, N760006-0202
From: USDEL SECRETARY SECRETARY LAHORE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760874/aaaacmx.e.tel
Line Count: 163
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NODS
Original Classification: SECRET
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: NODIS
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: NODIS
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: greenet
Review Comment: n/a
Review Content Flags:
Review Date: 21 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 JUN 2004 by BoyleJA>; APPROVED <18 OCT 2004 by greenet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NUCLEAR COOPERATION WITH IRAN
TAGS: OVIP, TECH, IR, US, (KISSINGER, HENRY A), (PAHLAVI, MOHAMMAD REZA), (ANSARI, HUSHANG), (ANSARY, HUSHANG), (ETEMAD, AKBAR)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

